

## Between decisiveness and credibility: transforming the securities industry in Singapore and Thailand

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**Between Decisiveness and Credibility:  
Transforming the Securities Industry  
in Singapore and Thailand**

*Abstract* This article suggests a political party-centred explanation of economic policy reforms that differs significantly from the standard theoretical models that emphasise social coalitions, government systems, regime types or electoral cycles. The explanatory approach advanced here focuses on inter-party and intra-party organisational dimensions within an integrated analytical framework as the major determinants of both the decisiveness of policy reforms and the credibility of such reforms. A comparative analysis of government efforts to transform the securities industry in Singapore and Thailand provides preliminary evidence with which to explore the proposed causal linkage between the patterns of stock market reforms and the changing configurations of political parties.

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5 In Singapore and Thailand, the past two decades have witnessed increasingly  
6 intensified efforts at reforming stock markets: to reduce restraints on new entry  
7 and remove oligopolistic practices in the securities industry; to privatise state-  
8 owned enterprises (SOEs) in order to enhance the breadth of stock trading; to  
9 improve legal frameworks for securities market regulation; and more generally,  
10 to foster greater market orientation in the traditionally bank-based financial  
11 system. Despite these similarities in terms of the timing and content of stock  
12 market reforms, the two countries have varied significantly along two policy  
13 dimensions: *decisiveness* or the ability of governments to initiate market  
14 reforms and *credibility* or the ability of governments to maintain given reforms  
15 and follow them through.<sup>1</sup>

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29 The Singapore government has been able to enact decisive and well-  
30 planned market reforms, often in response to external economic shocks, market  
31 pressures and financial crises. Equally significant, a high degree of consistency  
32 has been manifest in the implementation of various liberalisation measures. In  
33 Thailand, by contrast, indecisive action and inordinate postponement invariably  
34 plagued stock market reforms. Even when external market and political  
35 pressures thrust markets reforms onto the government agenda, many of these  
36 reforms were considerably diluted or abandoned in midstream. The Thai  
37 government under Thaksin Shinawatra formulated more decisive reforms in the  
38 early 2000s, but the reform process continued to suffer from poor credibility.

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51 This article advances a political party-centred explanation of variations in  
52 the pattern of stock market reforms cross Singapore and Thailand and over time.  
53 Distinct from the standard theoretical models that emphasise social coalitions,  
54 government systems, regime types or electoral cycles,<sup>2</sup> it argues that the policy  
55 impact of these political institutions is mediated through the characteristics of  
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political parties. More specifically, the article combines party system concentration and internal party unity or party cohesion and discipline in an integrated theoretical framework and underscores the varied ways in which these two variables interact to produce different policy patterns. Governments operating in concentrated party systems with unified parties tend to have greater capabilities to both initiate policy changes and implement these changes consistently. By contrast, fragmented party systems coupled with incohesive parties are more likely to discourage the initiation of decisive market reforms and undermine the resolute enactment of such reforms.

Singapore and Thailand differ significantly in the degree of party system concentration and internal party strength. Singapore has a highly concentrated party system that exists alongside the centralised, cohesive and disciplined ruling party. These inter and intra-party dimensions have institutionalised the strong ability of politicians to initiate programmatic reforms and follow them through effectively. Prior to the late 1990s, Thailand had many poorly disciplined and highly decentralised parties within an enormously fragmented party system. These party dimensions rendered stock market reforms neither decisive nor resolute. The Thai party system became increasingly concentrated due to constitutional reforms in the late 1990s, but leading parties themselves remained internally weak. As a result, the reform process was more decisive but remained less credible. The military coup that toppled the Thaksin government in September 2006 made it difficult to observe how changes in the Thai party system would impact stock market reforms in the longer run.

While there are systematic variations between Singapore and Thailand in the dependent and explanatory variables, the comparability of these two cases might be questioned. Four objections can be anticipated. First, Singapore is

much richer than Thailand in per capital terms. As theorised in a number of important studies (Graham, 1994; Haggard and Webb, 1994), governments with abundant financial resources can afford to compensate social groups adversely affected by reforms in order to soften their resistance. Although the Singapore government has used its public housing programme to boost its popularity, it is not evident that it has invoked compensatory schemes to make concessions to social groups that might lose out from market liberalisation. It is thus empirically difficult to associate variations in stock market reforms with different levels of economic development in Singapore and Thailand.

Second, it can be argued that the more democratic system of Thailand has rendered policy-makers more susceptible to political demands and undermined the effectiveness of market reforms. Taking a different position, this article contends that the effects of varied regime types are mediated through the organisational structures of political parties. In less democratic polities, well-organised parties and institutionalised party systems are likely to make politicians more capable to enact consistent and effective policies. In a more democratic system, decentralised and poorly institutionalised parties are likely to result in more indecisive policy action (Ho, 2003; Kuhonta, 2004). The claim is that successful reforms in Singapore is not so much a function of a more authoritarian polity as a function of a strong ruling party and party system whereas less effective reforms in Thailand result not from a more democratic system but from crippling deficiencies in the design of the party system.

Third, cross-country variations in market reforms might have derived from differences in the policy-making capacities of economic officials in Singapore and Thailand. Comparative studies (Hamilton-Hart, 2002) have attributed the strong ability of Singapore financial technocrats to govern the financial sector

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to their high capacities. Thai technocrats, who were widely regarded as paragons of competent and well-trained policy-makers in the developing world (Christensen et al., 1993), saw their policy-making capacity and autonomy decline in the 1990s. As documented in key empirical analyses (Pongsudhirak, 2002; Zhang, 2005), this is a direct function of deficiencies in the political party structure that generated the strong incentive for politicians to intervene in the reform process in pursuit of private-regarding policies. The weaker ability of Thai financial officials to enact effective market reforms reflects ‘sins of commission’ or political interference rather than ‘sins of omission’ or the lack of adequate administrative capacities, as will be demonstrated below.

Finally and perhaps most importantly, the systemic-centred proposition would posit that Singapore, which has a more open economy than Thailand, has been subject to greater external forces and thus under stronger pressures to liberalise its stock market. James Gwartney and Robert Lawson (2006) show that the annual average economic openness score was 9.1 (out of 10, the highest score) in Singapore over 1990-2004, as compared to 7.8 in Thailand in the same period. The proposition is plausible, but there remain theoretical and empirical problems.

Theoretically, the systemic-centred argument suffers from an endogeneity problem: greater openness in Singapore may have stemmed from more decisive and consistent efforts to liberalise the financial market. Empirically, there are two key issues. First, relatively small cross-country differences in economic openness between the two countries do not appear to account *fully* for significant variations in the patterns of stock market reforms, casting doubts on the importance of economic openness as a major causal variable. Second, while Singapore allowed foreign banks to operate offshore businesses in the Asian

Dollar Market since the late 1960s, it separated the offshore market strictly from the domestic financial sector and restricted direct foreign entry into capital markets (Tan, 2005; Zhang, 2003). Equally important, the government had an extensive ownership of the economy, despite the country's openness to trade and capital flows. With regard to key stock market reforms—entry deregulation and privatisation, Singapore did not have much head start over Thailand in the late 1980s when the two countries began to intensify their reform efforts; it would thus be hard to attribute Singapore's more successful reform efforts to its earlier process of financial opening.

It is thus clear from the above that the other primary causal factors—economic development levels, regime types, bureaucratic quality and systemic forces—either do not fundamentally differentiate Singapore from Thailand or to the extent they do their impact tends to be mediated through cross-country differences in political party structures. Methodologically, the appeal of these two cases is that they lend themselves quite handily to the central analytical purpose of this article in seeking to highlight the effects of political parties on market reforms. They make it reasonable to control for the possible independent effects of these other factors during the period under consideration and to bring the policy impact of political parties to the foreground.

The rest of the article is divided into four sections. The first section advances an explanatory approach that considers the policy impact of party system concentration in tandem with that of internal party unity. The second section differentiates Singapore and Thailand on the external and internal dimensions of political parties. The third section shows the proposed causal linkage between the characteristics of political parties and the trajectories of stock market changes in the two countries. The fourth and final section



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explores the policy implications of empirical findings for financial reforms in emerging market countries.

Sources of Decisiveness and Credibility

In Singapore and Thailand, as in many other emerging market countries, external political and market forces have provided important stimuli to stock market reforms. These factors have converged on the on-going process of financial globalisation that has prompted emerging market countries to liberalise stock markets as an important strategy for attracting foreign capital and enhancing their international economic status. Equally significant, the neo-liberal norms promoted by key international organisations have played a crucial role in promoting the liberalisation of capital markets. Particularly in the aftermath of financial crises, such as those that affected Latin America and East Asia in the 1990s, there have been political pressures from multilateral institutions for the accelerated liberalisation of regulatory barriers, privatisation of SOEs and improvement of securities market regulation.

While external forces have been an important source of stock market reforms, the national patterns of these reforms have not been uniform, as evidenced in the cases of Singapore and Thailand. This suggests that domestic political structures are important in understanding these patterns. Stock market reforms, like any other economic reforms, have wide-ranging distributive consequences that reverberate across a broad array of social interests and political groups. While market reforms are expected to benefit the national economy in the long run, they are likely to harm the interests of some social groups and thus encounter political resistance. The resistance would be strong and effective where politicians respond positively to the protests of these

groups who stand to lose various advantages as a result of stock market reforms. This is more likely to be the case if particular political structures, such as fragmented party systems and incohesive parties, institutionalise strong incentives for politicians to use entry barriers, state ownership and loose regulations to carve out divisible benefits for narrow constituencies.

The degree of party system concentration shapes the propensity of governments to respond positively to external stimuli and override domestic political obstacles and initiate stock market reforms. Concentrated systems with competition organised among a small number of large parties tend to prompt politicians to build broad coalitions of support (Chhibber and Nooruddin, 2004; Cox, 1990; Haggard and Kaufman, 1995). The reason is simple: parties in such systems need to secure majorities to win elections. In fragmented systems with a large number of small parties competing in elections, it is virtually impossible for any party to win majorities. This is likely to motivate politicians to mobilise particular segments of society for electoral support and move towards the formation of narrow coalitions. Any attempts by one party to build broad coalitions may risk creating opportunities for other parties to undercut its support base by appealing directly to specific social groups (Cox, 1997; Persson and Tabellini, 1999).

This suggests that political parties in concentrated systems, which are forced to operate in encompassing coalitions, have to be accountable to broad constituencies and promote policy reforms that advance the collective interests of society. Politicians in fragmented party systems are keen to provide private-regarding policies that are targeted to specific social groups in order to maintain the allegiance of their narrow constituencies. The argument here is not that there is no scope for private-regarding policies in concentrated systems.

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Political particularism is certainly possible where parties are captured by powerful private interests. Other things being equal, however, parties and governments they represent in concentrated party systems are more likely to provide public-regarding market reforms.

Party system concentration not only inclines governments to pursue public-regarding market reforms but also enables them to act on their policy incentives in a decisive manner. Concentrated systems that minimise the number of veto players and centralise policy-making authority strengthen the ability of state policy-makers to initiate policy reforms. On the other hand, fragmented systems that scatter veto authority among multiple actors representing heterogeneous interests impede decisive policy changes (Sartori, 1997; Schick, 1993; Tsebelis, 2002). This is a well established argument and does not need rehearsing here. But it is important to emphasise that governments are more able to manage complex policy tasks, such as stock market reforms that are politically difficult, involve a wide range of actors and require multi-stage implementation, when they have centralised policy-making apparatuses.

The ability to initiate policy changes may not lead to policy success, however; stock market reforms are unlikely to be implemented in a coherent manner if governments are unable to sustain such reforms. Important theoretical studies (Cox and McCubbins, 2001; Tsebelis, 2002) have suggested that there are trade-offs between institutional capabilities generated by party concentration and fragmentation. While concentrated party systems that centralise veto authority are likely to undermine policy stability, fragmented systems that generate institutional barriers to policy changes reduce instability.

This tension can be reduced if party system concentration is considered in close interaction with internal party unity. Party cohesion and discipline that

are engendered by party-centred electoral rules and strong party leaderships commit politicians to the label and policy position of their own parties that can help them to achieve electoral success. The importance of supporting party platforms encourages them to link their individual career prospects to the fortunes of their parties and subordinate their pursuits to party-determined purposes (Haggard, 1997; Nielson, 2003). In other words cohesive parties are more likely to align the policy interests of individual politicians to those of party leaders and provide strong incentives for individual politicians to claim credit as a party for the broad benefits that nationally oriented policies, such as stock market reforms, can deliver.

Low party unity and fierce intra-party competition that are spawned by candidate-centred electoral rules, weak party leaderships and factional activities encourage politicians to cultivate personal reputation. They are keen to develop narrow bases of electoral support and to represent the interests of localized constituencies. As particularism dominates the electoral and legislative process politicians become indifferent and even opposed to the overarching policy platforms of their parties. For these reasons politicians are strongly inclined to press for divisible policy favours that can be tailored to particular beneficiaries and resist reforms that threaten to eliminate such favours (Cox and Thies, 1998; Nielson, 2003). This suggests that politicians who operate through incohesive and undisciplined parties have greater incentives to use entry restrictions, state ownership and regulatory intervention to target their specific constituents and supporters.

Strong party unity not only inclines politicians to support stock market reforms but also facilitates the maintenance of such reforms. Empirical studies (Mainwaring and Pérez Liñán, 1997; Mainwaring and Shugart, 1997) have

related high party cohesion and discipline to the convergence of policy interests among party members and the limited number of actors involved in policy-making processes. At a more theoretical level, George Tsebelis (2002) has argued that high degrees of party unity restrict deviation from agreed-on decisions and increase policy stability. Strong parties are more likely to sustain economic reform policies once party leaders have made commitments to such policies. Conversely, low degrees of party unity, which tend to multiply the number of actors and expand the diversity of interests within parties, are more likely to upset policy agreements and decrease policy stability.

Furthermore, the literature emphasises the importance of cohesive parties in enabling party leaders to enforce programmatic discipline on their followers, maintain strong party label and pursue the policy objectives of the entire party. It is argued here that party unity not only empowers but also constrains party leaders. The personal goals of party leaders may set them apart from their parties. This is particularly the case where they have an interest in maintaining the loyalty of their constituents and use particularistic policy favours to that end. The party organization normally possesses mechanisms, such as selection and dismissal power, to control party leaders. But cohesive parties that can deliver the votes of their members of parliament act as a more powerful constraint on party leaders (Linz, 1994; Mainwaring and Shugart, 1997). The desire of party leaders to keep their parties unified in order to maintain parliamentary support prevents them from deviating significantly from the collective interests of parties while pursuing their own personal goals.

Finally, governments composed of cohesive parties tend to be more durable and stable (Druckman, 1996; Lijphart, 1999). Government durability and stability enhance the ability of decision-makers to ensure that policies are

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5 enacted as intended and that the policies themselves are sustained (Sartori,  
6 1997: 111-114; Warwick, 1994: 139-141). This is especially crucial for the  
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8 successful implementation of capital market reforms that is typically contingent  
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10 upon the stability and solidarity of policy-making elites. Equally important,  
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12 government and policy stability allow private market agents to incorporate  
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14 regulatory rules in their behaviour and make the objectives of reforms more  
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16 likely to be fulfilled. Where major ruling parties are incohesive and fluid,  
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18 governments tend to experience chronic instability. They are expected to be  
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20 less able to develop the institutional cohesion and consistency necessary to  
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22 follow through on implementing policy and regulatory reforms over time.  
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27 The matrix in Table 1 displays the different combinations of inter-party and  
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29 intra-party variables and their policy impacts. When concentrated party systems  
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31 exist alongside unified parties (upper left quadrant), governments are expected  
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33 to display strong capabilities both to initiate nationally-oriented policy reforms  
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35 and to sustain such reforms, as in Taiwan before the late 1990s and Singapore.  
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37 High degrees of internal cohesion within the majority party generate such  
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39 powerful stabilizing effects that they can overcome the problems of policy  
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41 irresoluteness associated with centralized veto power. Where party systems are  
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43 fragmented and parties themselves are highly disorganized and undisciplined  
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45 (lower right quadrant), politicians are strongly inclined to seek particularistic  
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47 policies, as in Thailand prior to the late 1990s and the Philippines. Policy  
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49 processes suffer from indecisiveness that stems from dispersed veto authority  
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51 and instability that flows from party incohesion and indiscipline.  
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55 In the case of fragmented party systems co-existing with well-organized  
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57 and unified parties (lower left quadrant), high degrees of internal cohesion  
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59 enables party leaders to rein in the rank and file in line with the collective  
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interests of parties and restrain the propensity of politicians to seek private-regarding goods. While multiple veto players in fragmented systems may subject policy processes to indecisiveness, the internal cohesion of these veto players reduces the number of actors involved in negotiations and enables them to work out stable agreements. Internal party unity thus increases the probability that policies, once hammered out among various parties, are likely to be implemented as intended. This largely corresponds to the policy patterns in Taiwan since the late 1990s.

Where concentrated systems are married to incohesive and undisciplined parties (upper right quadrant), weak party leaders who confront a legislature full of atomized and wayward politicians are more constrained in their ability to provide nationally oriented policies. Candidate-centred rules, weak party leaderships or rampant factional activities generate such strong incentives to seek personal votes on the part of politicians that they likely counteract the tendency for parties in concentrated systems to provide public goods policies. Concentrated systems may be conducive to decisiveness but incohesive intra-party structures are inimical to stability. While centralised veto power in Malaysia and Thailand under Thaksin may be a boon for decisiveness, internal party weaknesses undermine policy credibility.

**Different Party Configurations and Policy Patterns**

In terms of the degree of party system concentration, there have been salient differences both across Singapore and Thailand and over the past two decades. As displayed in Table 2, a comparison of the effective number of parties clearly shows that the party system of Singapore was much more concentrated than that of Thailand for much of the 1980s and 1990s.<sup>3</sup> In Thailand, however,

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5 constitutional reforms enacted in the late 1990s drastically reduced the number  
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7 of political parties and significantly centralised the party system.  
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10 The highly concentrated party system has rendered political power  
11 extremely centralised in Singapore. One-party rule by the People's Action  
12 Party (PAP) that has been in power since independence has been a central  
13 defining feature of the Singapore polity. Given the unicameral legislature  
14 completely controlled by the PAP, the fragmented and powerless opposition  
15 and the largely passive presidency with limited powers, the ruling party has  
16 operated as a single veto player and faced very few constraints on its authority.  
17 This has provided the PAP government with the institutional resources to  
18 formulate policies decisively and effectively.  
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29 In Thailand, the lower house of parliament carried veto authority and the  
30 upper house only had the power to delay legislation. However, the fragmented  
31 party system invariably produced multi-party coalition governments in the  
32 1980s and 1990s, diffusing veto authority and leading to highly decentralized  
33 policy-making structures (Hicken, 2002: 38-57). This changed in 2001-2006  
34 when the party system became so centralised that a single political party,  
35 Thaksin's Thai Rak Thai (TRT), maintained a majority of the seats in  
36 parliament. Together with the enhanced leverage of the prime minister over  
37 coalition partners, an increasingly concentrated party system centralised veto  
38 power and increased policy decisiveness.  
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50 Singapore and Thailand also differ with regard to internal party strength. In  
51 examining cross-country variations along this party dimension, this article  
52 relies upon several system and party-level variables—electoral rules,  
53 organisational complexity, party reputation and factionalism—that are  
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empirically shown to have significant causal effects on party cohesion and discipline (Carey, 2007; Janda and Coleman, 1998).

Prior to 1988, Singapore operated with the electoral system of single-member districts with plurality voting. Strongly encouraging campaigns on the basis of party affiliation, this party-centred system committed politicians to party platforms that were instrumental in assisting them to achieve electoral success. Singapore has since combined a handful of single-member districts with Group Representation Constituencies (GRCs), each with three to six seats. GRCs can only be contested by teams of candidates from the same party; voters cast a single vote for a team rather than for individual candidates. This has minimised inter-candidate rivalries, typical of the multi-member electoral system, that may have weakened party unity.

The strong effects of party-centred electoral rules on party unity in Singapore have been reinforced by the highly centralised manner in which party finances are managed and the extremely careful and rigorous process through which candidates are selected. This high degree of controls over party finances and candidate selection has been particularly manifest in the PAP. Such controls have not only allowed the most able to rise to the top but also enabled party leaders to screen out those who may deviate from party platforms and encouraged the allegiance of individual politicians to the PAP (Mauzy and Milne, 2002: 48-49; Ooi, 1998: 371-374).

Effective controls within the PAP have primarily stemmed from an organisationally cohesive party apparatus, characterised by strong leadership, centralised decision-making and the cadre system that plays the crucial role in the election of the Central Executive Committee, the epicentre of power within the party (Chan, 1985). This has not only shifted politics to the national level

and weakened the influence of particularistic interests on policy processes but also greatly enhanced the ability of PAP leaders to mobilise the efforts of members and supporters in executing its policies.

Party-centred electoral rules and strong party controls have rendered PAP politicians highly concerned with party labels and reputations. They have demonstrated long-term loyalty to the party; party switching, while not uncommon among the opposition parties, has rarely happened within the PAP (Ooi, 1998). Party controls have been so tight and decision-making processes so centralised that factional activities have been virtually absent within the PAP since the early 1960s.<sup>4</sup> While the internationalisation of state capital may have generated diverse interests within the Singapore state (Rodan, 2006), the ruling party itself has remained unified (Ooi, 1998).<sup>5</sup>

The Thai electoral system had featured multi-seat and multi-vote plurality prior to the 2001 parliamentary elections. The system, which usually pitted members of the same party against each other, placed a premium on the ability of individual politicians to develop personalized electoral strategies that differentiated themselves from their co-partisans and build narrow constituent bases of support (Hicken, 2002: 38-57; Siamwalla and MacIntyre, 2001). Thailand's candidate-centred incentives thus created significant scope to press for particularistic policies at the expense of the collective interests of parties, undermining party cohesion and discipline.

Several provisions of the 1997 constitution, which introduced single-member districts and, more importantly, a national party list tier, encouraged candidates to move to more party-oriented strategies (Hicken, 2006; Ockey, 2003). However, the new electoral system's incentives for Thai politicians to develop a national policy orientation were counteracted by three old

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institutional patterns. First, while the campaign for party list seats became increasingly party-centred, contests in the 400 single-member districts remained largely candidate-centred affairs, predisposing politicians to cultivate narrow support networks (Hicken, 2006).

Second, major parties and the TRT in particular remained heavily imbued with internal conflicts. No sooner had the TRT come to power in early 2001 than its dozen factions began to struggle over party executive positions, cabinet portfolios and legislative posts. More significant, the rival factions of the TRT ran against each other in local elections and distinguished themselves by different campaign colours and party labels (Nelson, 2005a; Phongpaichit and Baker, 2004: 191-5). Intra-party rivalries continued to encourage politicians to develop personalised strategies that centred on the delivery of benefits to specific supporters. Such strategies were important in strengthening the weight of competing factions against each other within the party.

Third, Thaksin achieved electoral success in large part by convincing many political factions and provincial politicians with existing local electoral networks to run under the TRT banner. While his formidable financial resources increased the power of the party over provincial politicians who comprised most faction leaders, Thaksin failed to break the link between factions and their voters (McCargo and Pathmanand, 2005: 70-112). Provincial barons went to great lengths to reinforce their personal electoral networks in order to strengthen their power position vis-à-vis that of rival factions within the TRT and enhance their chances in local and general elections. They were thus under intense pressures to direct resources to their local constituents, despite an increasingly concentrated party system.

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5 In Thailand, party leaders typically exercise weak controls over candidate  
6 nominations. Decisions about the selection of candidates are often made by  
7 factional leaders and regional administrative committees; strong candidates  
8 often nominate themselves into the parties of their choice. Equally, meagre  
9 funds from parties force candidates to raise their own campaign money and rely  
10 upon outside sources (Hicken, 2002: 54; Limmanee, 1998). Party funding is  
11 often a function of the assets of party leaders, as clearly evidenced in Thaksin's  
12 enormous financial contributions to the operation of the TRT. These features  
13 have worked against the ability of party leaders to encouraged politicians to  
14 pursue personal policy interests.  
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27 Most Thai parties have had shallow institutional bases, decentralised power  
28 structures and weak intra-party organisational procedures (Limmanee, 1998:  
29 421-424). As a result, party leaders have often lacked the institutional leverage  
30 to compel party officials and members to support their policies. At least prior to  
31 the late 1990s, candidate-centred rules and weak controls discouraged  
32 politicians from placing any value in party labels but encouraged them to  
33 switch parties frequently. Parties rose and fell quickly as politicians mainly saw  
34 parties as temporary alliances for competing for elections and had little interest  
35 in remaining loyal to their parties.  
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47 Party switching seems to have declined, following the constitutional  
48 reforms of the late 1990s that required candidates to be members of a political  
49 party for at least 90 days to compete in elections and elections to be held within  
50 45 to 60 days once parliament was dissolved. As a result, would-be party  
51 switchers did not have enough time to meet the membership requirement and  
52 were forced to sit out one election. This enabled the prime minister to prevent  
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individuals and factions from bolting his party by credibly threatening to dissolve parliament and call new elections (Hicken, 2006; Ockey, 2003).

Almost all Thai parties have featured long-established, institutionalized and multiple factions. Factions have had their distinct constituent bases of support and run their own candidates in elections, sometimes under their own labels (Chambers, 2005). While the party system became centralized in the early 2000s, the TRT was so factionalized that it had more than 15 competing groups or cliques. The party acted as little more than an umbrella sheltering largely independent factions. While Thaksin managed to keep party factions largely loyal to the TRT during his first term, factional leaders became increasingly assertive in their demands for more ministerial positions and particularistic policies in his second term. This threatened TRT stability and weakened Thaksin's ability to enact programmatic policies (*BP*, 29 March 2005: 6; *EIUCR-Thailand*, August 2005: 14; Nelson, 2005b).

**Transforming the Securities Industry**

The exercise of comparative statics undertaken in the previous section suggests a plausible correlation between the patterns of stock market reforms and the changing configurations of political parties in Singapore and Thailand. This section shows more convincingly the processes of the proposed causal linkages and compares these processes cross the two cases.

**Singapore**

The concentrated party system has generated such strong centralising forces that PAP leaders have been highly motivated to enact stock market reforms that promise to advance the interests of broad constituencies. This has been

reinforced by the cohesive structure of the PAP that institutionalises vigorous incentives for politicians to pursue a national-level reform agenda. While systemic market and political forces have provided important impetuses, these forces have acted on the reform process through the organisational structure of political parties that have made PAP elites eager to marshal support for transforming the securities industry. Financial technocrats in the Monetary Authority of Singapore (MAS), the country's central bank and premier financial market regulator, are often portrayed as strong advocates of stock market reforms. For the most part, however, PAP leaders have led rather than followed technocrats in charting an overall and long-term reform strategy (Hamilton-Hart, 2002; Tan, 2005: 6-15).

PAP leaders have been keen to push for stock market reforms with a view to fostering a more efficient financial system, expanding the scope of industrial financing and mobilising more resources for national development. Such policy interests have sustained the efforts of the government to liberalise the securities industry, divest state-owned enterprises and improve regulatory frameworks as an important way to nurture the growth of a robust capital market (Lall and Liu, 1997; Lim, 1998). The strong desire of PAP leaders to achieve public-regarding policy objectives through stock market reforms has rendered them willing to overcome political resistance to such reforms.

Nowhere is this more manifest than in the determination of state policymakers to open up the securities market to greater foreign participation and abolish fixed brokerage fees in the aftermath of the Asian crisis of 1997-98, over the vociferous opposition from private financiers who stood to lose out from these liberalisation measures (*BT*, 5 August 1999: 36; 29 August 2000: 39; 26 January 2001: 15; *ST*, 13 May 2000: 96). This is despite the fact that

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5 policymakers relied increasingly upon market agents for policy inputs and  
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7 prominent private financiers got directly involved in the formulation of market  
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9 reforms (*BT*, 23 October 2002: 21; *EIUCR-Singapore*, 4th Quarter 1998: 20-21;  
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11 *ST*, 9 December 1997: 56).

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14 Successful stock market reforms have required not only strong incentives to  
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16 provide public-regarding policies but also sustained capabilities to implement  
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18 the reform agenda. In Singapore, the concentrated system of government has  
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20 greatly facilitated the ability of policymakers to take decisive action on market-  
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22 oriented regulatory changes. Equally significant, the strongly disciplined and  
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24 highly cohesive PAP has furnished its leaders with the institutional resources  
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26 with which to isolate financial and regulatory processes from diverse political  
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28 demands and to rally party members and supporters behind their policy reforms.  
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30 Given the dominant position of the PAP as a single veto player, its leaders have  
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32 operated virtually without considerable institutional checks on their power to  
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34 pursue market reforms in line with their policy interests.  
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38 Centralised political authority has contributed enormously to the reputation  
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40 of the Singapore government for quick responses to external and domestic  
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42 pressures for stock market liberalisation at critical junctures. Over the period  
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44 1986-1987, financial officials moved, with alacrity and efficacy, to craft new  
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46 securities laws to tighten up market regulations and deregulate entry barriers  
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48 and increase price competition to beef up efficiency, following the collapse of a  
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50 major listed company and growing weaknesses in the stockbroking industry  
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52 (*FEER*, 31 July 1986: 65-66). Market reforms were followed up intensely in  
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54 the early 1990s when the government, in an attempt to compete against rival  
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56 regional financial centres, significantly increased foreign presence in the stock  
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58 market, despite the concerns and even opposition of local stockbrokers (*BT*, 17  
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December 1995: 1, 4; *FEER*, 2 April 1992: 78). The process culminated in the thorough liberalisation of the securities industry in less than two years after the Asian crisis, in the thick of the post-crisis economic turmoil that deterred such policy changes in many neighbouring countries.

A similar degree of decisiveness has also been manifest in the process of privatising government-linked companies. The divestment of state assets in the stock market has explicitly been part and parcel of the overall plan to transform the securities industry (Low, 2006: 216-217). Privatisation, which often entangled many developing country governments in a web of political difficulties, was initiated in a rapid yet well-planned manner in the late 1980s and gained momentum in the early 1990s when the de-linking of the Kuala Lumpur Stock Exchange from the Stock Exchange of Singapore (SES) depressed trading activities in the latter. While occasional resistance has arisen among civil servants and public sector employees, state elites have been able to overcome obstacles and push ahead with the privatisation process (Milne, 1991; *ST*, 14 January 1992: 24).

Not only has the Singapore government enacted decisive and effective stock market reforms, it has been able to carry through such reforms. Strong interests in capital market development that have derived from external forces aside, the internal organisation of the PAP has crucially contributed towards policy credibility. In the first place, the high degree of party control and discipline has enabled PAP leaders to centralise decision-making processes within the party and align the behaviour of party members with the overall policy objectives of the party. On the other hand, the need of PAP leaders to rely upon internal party unity for maintaining majority support in parliament has prevented them from deviating from given party policies. Such need has



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greatly increased since the 1980s when the opposition broke through the PAP’s monopoly of parliament and consistently posed challenges to the dominance of the ruling party in the electoral and legislative processes.

Furthermore, the ability of the Singapore government to sustain stock market reforms has stemmed from cabinet durability and the stable core of financial officials in the MAS and the Finance Ministry. As shown in Table 3, the government has been much more stable in Singapore than in Thailand during the past two decades; politicians and technocrats who have headed the key financial agencies have had much longer tenures than their Thai counterparts. They have thus had sufficient time to obtain market information, develop technical expertise and create institutional resources to design market liberalisation plans. The stability of government and financial policy elites has provided the organisational cohesion and continuity necessary to follow through on implementing regulatory reforms.

The stability of core state financial agencies has been, in the final analysis, built on the structure of the party system. The systemic political dominance and intra-party organisational strength have enabled PAP leaders to wield virtually unrestricted command over the economic bureaucracy and to mould the structure of state economic institutions in such a way that their policy objectives can be effectively achieved (Ho, 2003). Seeing stock market reform and growth both as an important objective in itself and as an indispensable instrument of promoting national economic development, PAP leaders have been willing to delegate enormous power to the MAS and the Finance ministry and established a cohesive and solid cohort of technocrats to lead the two key agencies. In order to create a clear and coherent sense of policy orientation, they have intervened to ensure the institutional solidarity between the two

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5 agencies by orchestrating the exchange of top personnel between them and  
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7 even fusing their leaderships (Zhang, 2003: 80-83).<sup>6</sup>  
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10 The centralised system of government has helped to put in place the legal  
11 frameworks necessary to enact regulatory reforms. In Singapore, laws that  
12 authorise stock market reforms and give the process legitimacy have been high  
13 priorities for PAP leaders. Legislation that mandates new securities regulations,  
14 improves market infrastructures and enhances the regulatory power of the MAS  
15 has been invariably carried out in a decisive and timely manner. This is clearly  
16 demonstrated in the effective reforms of securities laws and corporate  
17 governance policies in the wake of the Asian crisis. These sustained efforts  
18 have put Singapore well ahead of many emerging market and OECD countries  
19 in the development of rigorous securities laws (Lopez-de-Silanes, 2004: 39).  
20 Likewise, Singapore has led its East Asian peers in the macro determinants of  
21 market and corporate governance that are crucial to the successful reform and  
22 sustained growth of the stock market (CLSA, various issues).  
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37 More important than the timely and effective creation and revision of  
38 securities rules, however, has been the ability of financial regulators to enforce  
39 these rules strictly. They have acted harshly towards rule violators by levying  
40 heavy fines against them, revoking their licenses or even closing them down.  
41 These violators have ranged from well-connected domestic private financiers to  
42 powerful foreign stockbrokers and from transnational merchant banks to giant  
43 Chinese SOEs.<sup>7</sup> As the Singapore government has significantly liberalised the  
44 securities industry since the Asian crisis, financial officials have upgraded and  
45 tightened securities laws (*BT*, 6 December 2006: 12; MAS, 2000: 43-45, 2004:  
46 29-30, 2006: 47-48). As in the past, they have shown little forbearance towards  
47 violators, both domestic and foreign. While the MAS has often been given  
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credit for effectively checking malfeasance and fraud in the securities market, its ability to do so derives from the strong ruling party and the authoritative executive that have been able to isolate MAS regulators from distributive demands. On many occasions, top PAP leaders intervened to protect the regulatory autonomy of the MAS when it faced strong political pressures to lower its standards, particularly from foreign nationals and firms. As a result, Singapore has been rated much stronger than not only most emerging markets but also many OECD countries on the indicators of securities rule enforcement (Lopez-de-Silanes, 2004).

**Thailand**

The policy preferences of Thai politicians towards stock market reforms directly reflected the incentives of the political party framework in which they operated. High degrees of party fragmentation, combined internal party disunity, strongly encouraged them to generate divisible political goods that could be used to build up and maintain their personal networks of support. During the democratic transition of the late 1980s and 1990s, perennial desires to deliver private-regarding policies to particular electorates for such purposes rendered politicians uninterested in capital market reforms that would facilitate financial development and provide general benefits to Thai society at large. To the extent that politicians did show interest in market reforms, they intended to capture such reforms as a vehicle for seeking rents.

The 1980s also witnessed the growing strength in the political process of provincial politicians whose supporting factions and vote-canvassing structures were heavily regionally based. These politicians, who were backed by and beholden to local business interests, gained further ground over the 1990s

(Phongpaichit and Baker, 2002: 351-6). They largely dominated the successive governments, particularly under the premiership of Chatichai Choonhavan (1988-91), Banharn Silapa-archa (1995-96) and Chavalit Yongchaiyudh (1996-97). Localised bases of support made them more concerned with promoting the interests of specific social groups but less interested in pursuing nationally oriented policy reforms. The ascendancy of provincial politicians reinforced the tendency of political particularism in the financial policy process.

The political system was thus heavily geared towards pressing politicians and political parties to control and manipulate market reform processes for rent-seeking purposes. In the late 1980s and throughout the 1990s efforts to open up the securities industry to greater foreign participation and liberalise brokerage fees repeatedly encountered heavy resistance not only from stock brokers who had a stake in the regulatory barriers that kept the industry closed to competition but also from politicians who were keen to preserve regulatory favours for their cronies or had controlling interests in securities firms (Ariff and Khalid, 2000: 204-205; *BP*, 23 December 1999: 6; SEC, 2002: 74-79). The privatisation of SOEs, partly designed to reform the stock market, was halting and piecemeal. This reflected as much the desire of politicians to keep SOEs under their control as a source of political patronage and use board and management positions of SOEs to reward key constituents as labour opposition (Hicken, 2002: 234-246; Koomsup, 2003).

Within the national government, stock market reforms lacked political champions willing to marshal the necessary political support for consistent and coherent efforts. The strongest advocates of such reforms were technocrats in the Bank of Thailand (BOT, the central bank) and the Securities and Exchange Commission (SEC). They were keen to reform the stock market with a view to

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foster a more efficient financial system and mobilise more capital for industrial investment.<sup>8</sup> However, these technocrats had difficulty translating their preferences into policy outcomes, primarily because their authority and autonomy were radically devalued in the 1980s and 1990s (Zhang, 2005). While prime ministers frequently appointed technocrats to head the economic portfolios, they were still accountable to their political masters who lacked strong incentives to provide nationally oriented policies such as market liberalisation and privatisation.

In the 1980s and 1990s unsuccessful efforts at stock market reforms certainly reflected the preferences and organisational resources of powerful financial and corporate interests in Thailand. As implied above, private financiers constantly lobbied for the protection of their regulatory privileges and resisted competitive pressures associated with market liberalisation; the strong opposition of SOE managers and employees frustrated government plans to divest state assets. However this is not a simple story of financial and regulatory policies being captured. Particularistic interests were able to assert themselves, primarily because the fragmented party system and internally weak parties that rendered politicians beholden to special socio-economic groups facilitated their access to the policy process and impeded the liberalisation of the securities sector.

The foregoing analysis does not suggest that Thai policy-makers initiated no market reforms at all. Successive governments announced plans to push for such reforms. But Thai political institutions blunted the translation of these plans into programmatic policy actions that were necessary to ensure the effective transformation of the stock market. Prominent politicians, with large holdings of listed stocks or direct stakes in securities companies, had highly

private pursuits in relation to market liberalisation. They were not so much concerned with long-term market development as with short-term measures to bolster share prices and rake in quick profits (*Asiamoney*, September 1996: 10-13; *BPER*, June 2004: 18-20; *Nation*, 2 September 1990: 1). It is not surprising that when modest market reforms were introduced, they were much less coherent and consistent than similar reforms in Singapore.

Even these reforms were subject to weak enactment. Prior to the early 2000s, the large number of veto players in the cabinet made it difficult to enact regulatory changes that threatened to harm the interests of coalition partners or their constituents. From the late 1980s when stock market reforms arrived on the agenda the process was plagued by repeated delays. A good case in point rests with the tortuous move towards revamping the regulatory framework governing securities markets. The initial bills for market reforms was submitted to the cabinet for consideration in 1986 but languished in the Finance ministry for nearly six years. They were met with strong resistance from private bankers and their political allies in the cabinet who feared for greater competitive pressures brought about by stock market growth; senior members of large parties in the coalition, who were associated with securities firms, attempted to water down the bills that would subject these firms to stricter supervision (*BP*, 25 October 1988: 5, 29 January 1990: 3; *FEER*, 18 April 1991: 69-70).

The process of stock market reforms accelerated under the second Chuan Leekpai government (1997-2001) at the wake of the Asian crisis. During an initial honeymoon period when the crisis created a clear sense of national emergency and allowed Chuan's Democratic Party to control the key economic portfolios, the new government was able to enact a series of economic reform measures. Included among these were financial restructuring and privatisation

masterplans that boded well for the reform of the securities industry. But as the worst of the crisis waned over 1999 the Chuan government found itself subject to familiar political barriers. Growing divisions within the coalition weakened legislative support for reform programmes and delayed financial restructuring and privatisation legislation (*EIUCR-Thailand*, 1st Quarter 1999: 15-6, 3rd Quarter 1999: 14, 1st Quarter 2000: 18; *Nation*, 9 April 2000: B1).

Following the constitutional reforms of the late 1990s, the pattern of stock market changes began to depart from the pre-reform era. As the centralised party system forced TRT politicians to appeal to broader constituencies to allow the party to win votes nationwide, they focused more on party-linked and nationally oriented policies, such as financial market reforms and development. Equally important, the growing dominance of the TRT in the Thai polity enabled state elites to enact programmatic policies more decisively. This was particularly the case when the interests of top party leaders, specifically Thaksin, were engaged. The impact of these institutional changes was evident in the forceful resumption of the stalled privatisation programme, more determined efforts to create a more competitive securities industry and the launching of a capital market master plan that chartered a long-term market development strategy.

Domestic political changes, as well as external shocks and market pressures, did thrust market reforms onto the policy agenda of the Thai government. However even these measures, which were neither as deep nor as broad as reforms in Singapore, faced the constant danger of reversal; political pressures continued to mount for the change and relaxation of policies and regulations that were designed to reform and promote the stock market. Institutional

obstacles, mainly derived from weak intra-party structures, contributed to implementation difficulty in several important ways.

In the first place, factionalised parties made party leaders vulnerable to policy blackmail by powerful factions threatening to switch parties. With multiple factions in the largest parties that led the successive coalition governments, there was little prospect of the cabinet following through market reforms that hurt the interests of faction leaders and their key constituencies. To keep their parties together and maintain their dominant position within the coalition, prime ministers were often compelled to put on hold or scrap altogether agreed-on reform measures, even though they were in favour of these measures. This was manifest in the failure of the Chatichai, Banharn and Chavalit governments to implement tighter securities rules and brokerage liberalisation that they had intended to enact.

Given the centralised party system during the Thaksin years, defection became less of a threat for party leaders. But the desire to please major factions within the TRT in order to maintain its dominant position often forced party leaders to backslide on pre-announced reforms. Opposition from powerful interest groups and prominent faction leaders, for instance, delayed and even blocked the plans to privatise SOEs and improve securities market regulation (*BPER*, June 2004: 12; *EIUCR-Thailand*, May 2001: 20, May 2004: 39; *Nation*, 18 March 2004: 2). Similarly, entry barriers in the securities sector and broking fees were liberalised by fits and starts, mainly due to heavy resistance by private financiers and cabinet members with large stakes in securities firms (*BP*, 7 January 2002: 3, 17 March 2004: 2, 14 November 2005: 7).

Furthermore, internal party weaknesses contributed to unstable government. The frequent collapse of Thai governments in the democratic era rested as



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much with intra-party infightings as with intra-coalition conflicts (Chambers, 2005; Limmanee, 1998). While increased party concentration made the Thaksin government more stable, fierce competitions within the TRT led to cabinet volatility. Between early 2001 and late 2004, Thaksin reshuffled his cabinet twelve times. High degrees of instability denied party leaders the power to set up coherently-planned procedures to ensure satisfactory enactment of pro-market policies. Equally important, government and cabinet volatility was mirrored in a much higher turnover of financial policy elites in Thailand than in Singapore, as shown in Table 3. The low tenure inhibited the ability of key officials to develop the policy expertise and market information necessary to formulate and maintain a consistent set of priorities.

Internal party weaknesses and associated intra-government rivalries often rendered prime ministers vulnerable to the problem of the lame duck. This weakened their ability to control the behaviour of the bureaucracy and left them politically powerless to resolve conflicts between the BOT, the Finance Ministry and the SEC. Such conflicts over a range of policy and regulatory issues intensified and persisted against a backdrop of the growing politicisation of policy processes in the 1990s (*BP*, 7 February 1997: 4, *Nation*, 9 April 2000: 1; Zhang, 2005). Given that these agencies shared the responsibility for the overall management of financial policies, their conflicts made it difficult for the government to develop the institutional cohesion with which to pursue effective market reforms.

Political barriers to consistent market reforms also contributed to the failure to establish an effective and efficient legal structure necessary to improve market operations. Laws promoting the sound and sustainable development of securities markets were a low priority for party politicians and thus the

necessary legislation was delayed. A bill allowing private limited companies to go public and inaugurating the SEC was on the back burner for six years; legislations on investment protection and bankruptcy were enacted erratically across the Chuan and Thaksin governments; legal frameworks governing financial market and corporate governance remained poorly developed by the time the coup overthrew the Thaksin government.

Even existing laws were subject to political interference. Politicians, who had personal and political interests in the securities industry, had strong incentives to undermine the efforts of financial technocrats to strictly enforce market regulations that stood to harm those interests. From its inception in 1992, the SEC was constantly susceptible to intense lobbying to limit its oversight of insider dealing and other fraudulent practices on the securities market (*EIUCR-Thailand*, May 2004: 38-9; Handley, 1997; *Nation*, 18 March 2004: 2). The result is that the Thai legal framework regulating securities markets and corporate governance were limited in scope and weak in enforcement (CLSA, various issues; Lopez-de-Silanes, 2004).

### Conclusions and Implications

Drawing upon theoretical studies on the policy impact of political parties, this article has sought to address the question of cross-sectional and cross-temporal differences in financial policy choices and stock market reforms in Singapore and Thailand. The empirical analysis is conducted on the basis of an explanatory approach that considers inter-party organisational dimensions in tandem with intra-party structural attributes. The findings clearly demonstrate that the patterns of market reforms have varied significantly across the two

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cases and over time in response to the changing configurations of political parties.

While this article has attempted to show how the external and internal structures of political parties interact via the cases of stock market reforms in Singapore and Thailand, its analyses that suggest the importance of political institutions in general and political parties in particular in financial market development have more general implications for institutional transformation and governance in developing and emerging market countries.

The prevailing IMF/World Bank paradigm for financial development has placed great store on getting the right institutional mix for the successful reform of capital markets and the smooth functioning of financial systems (IMF and World Bank, 2003; World Bank, 2004). It has recognised that market-oriented reforms without strong institutions—credible legal systems, independent regulatory agencies and transparent policy structures—to facilitate such reforms are likely to fail. Institutions and institutional reforms are designed to foster market competition, enhance the spontaneous actions of private actors and ultimately improve the Pareto efficiency. These key constituents of the paradigm for financial market governance have quickly achieved the status of a new orthodoxy in the international policy community.

While the new paradigm has provided a novel form of institutional rationality for market reforms and governance, it has been framed in narrow economic terms as the supply of legal and regulatory institutions. It has negated the role of political institutions, such as political parties, in financial market transformation in developing countries and neglects the process through which such institutions shape the preferences of politicians towards financial and regulatory policies and their capabilities to pursue these preferences. The

empirical findings of this article have established a new point of theoretical and policy departure for examining how politicians operating within different inter-party and intra-party structures have shaped national financial architectures. They provide prime facie evidence of the close linkages between political parties, policy processes and market reforms. Only by addressing such linkages in broad political settings would it possible to develop a stronger intellectual basis for understanding the national patterns of financial policy choices and the political underpinnings of market reforms.

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<sup>1</sup> Conceptually these two dimensions are discussed at length in Cox and McCubbins (2001).

<sup>2</sup> For detailed reviews of these models, see Haggard (1997) and Nelson (1990).

<sup>3</sup> The effective number of parliamentary parties is calculated by using the Laakso and Taagepera index that is  $N = 1/\sum_{i=1}^n P_i^2$ , where  $P_i$  is the percentage of vote of  $i$ th party squared. See Laakso and Taagepera (1979) for a detailed discussion of the index.

<sup>4</sup> The early years of the PAP witnessed continuous conflicts between the moderates and the pro-Communists that eventually led to the party split in 1961 and the formation of the Barisan Sosialis (Socialist Front) by the pro-Communists (Bellows, 1970: 32-51).

<sup>5</sup> In this sense, Ross Worthington's proposition (2003: 220-250) that emerging diverse interests within the state have indicated the growing factionalism of the PAP is partial at best and misleading at worst.

<sup>6</sup> Between 1985 and 1997, for instance, the MAS chairman, Richard Hu, was concurrently at the helm of the Finance Ministry.

<sup>7</sup> Detailed discussions of these cases cannot be accommodated here. But for the background see *BT* (10 January 1991: 3), *EIUCR-Singapore* (3rd Quarter 1996: 20-21, September 2005: 28, March 2006: 24), *FEER* (9 January 1992: 42-43), and *ST* (5 January 1991: 36, 7 August 1993: 48, 18 October 2002: A22).

<sup>8</sup> Author interviews with a senior director of the Management Assistance Department of the BOT, Bangkok, 11 August 2005, and with an assistant governor of the BOT, Bangkok, 15 August 2005.

Table 1 The sources of decisiveness and credibility

		Internal party strength	
		Strong	Weak
Party system concentration	High	Singapore (Taiwan, prior to late 1990s)	Thailand (since early 2000s) (Malaysia)
	Low	(Taiwan, since late 1990s)	Thailand (prior to late 1990s) (The Philippines)

Table 2 The effective number of parliamentary parties

Singapore		Thailand	
1980	1.0	1983	5.6
1984	1.1	1986	6.1
1988	1.0	1988	7.8
1991	1.1	September 1992	6.1
1997	1.1	1995	6.2
2001	1.1	1996	4.3
2006	1.1	2001	3.1
All years	1.1	2005	1.7
		All years	5.1

Sources: Author calculations, based on data provided in *EIUCR-Singapore* (various issues), *EIUCR-Thailand* (various issues), Nelson (2001) and Rieger (2001).

Table 3 The stability of government and financial policy-makers

	Singapore	Thailand
Average cabinet duration (in months)	46.0 (09/1978-12/2001)	18.0 (05/1978-03/2001)
Average turnover (per year)		
Central bank governor	0.16 (1980-2004)	0.35 (1985-2004)
Finance minister	0.16 (1983-2007)	0.85 (1985-2004)
Securities commission head <sup>a</sup>	0.16 (1980-2004)	0.42 (1993-2004)

Sources: Author calculations, based on data provided in Croissant (2002), *EIUCR-Singapore* (various issues), and *EIUCR-Thailand* (various issues).

Note: <sup>a</sup> This refers to the MAS chairman in Singapore and the secretary general of the SEC in Thailand.

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